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SUBJECT: MEDIA REACTION; NEW ARGENTINE GOVERNMENT FOREIGN POLICY; LATIN AMERICA ARMS RACE; 10/30/07

11. SUMMARY STATEMENT

Today's key international stories include speculation about the newly elected Argentine Government's foreign policy; and an "emerging" arms race in Latin America.

12. OPINION PIECES AND EDITORIALS

- "The US expects Cristina Kirchner's wink"

Hugo Alconada Mon, daily-of-record "La Nacion's" Washington-based correspondent, comments (10/30) "Republicans and Democrats alike expect the first concrete "winks" from President-elect Cristina Kirchner in order to verify whether her actions will confirm the image she promoted during the election campaign, which was a more open, neat, moderate and internationalist image than that of her husband.

"Yesterday at midday, the Bush administration congratulated her. Sean McCormack, chief spokesperson of the Department of State said: 'We congratulated President-elect Kirchner for her election victory.' He added that the US expects to work with her 'on bilateral and regional issues.'

"A US official source told 'La Nacion' that the ball is now in Argentina's court, and it added that the US expects to see the Argentine Government play the regional game in a different way, that is, to join Brazil and Mexico, and distance itself from Venezuelan President Hugo Chavez.

"He insisted: 'We'll have to wait. One always has to go step by step with Argentina. We do not know how much the Government will change with Cristina. They sold a more open image of Cristina towards the US and the world, which will also be less dependent on Chavez, but we will have to wait.'

"Since Deputy Assistant Secretary Tom Shannon took over two years ago, he has sought to build better bridges with the region, including Argentina, following the "short-circuits" with his predecessor, Roger Noriega.

"However, the Bush administration wants to check her first speeches as President-elect, see how she will form her cabinet and get to know the first steps she will take.

"Such is the Republican administration's cautiousness that it avoided making comments that could impact on the election campaign of recent weeks. This was made clear when the number three at the Department of State, Nicholas Burns, spoke about the region without referring to the country in his address to the Council of the Americas.

"He said: 'We will work with every democratic government that wants to put aside the points of disagreement in order to meet shared goals. We do not subject our potential partners to an ideological test and we do not fear political disagreement.' He set as an example Washington's alliance with center-right leaders from Mexico and Colombia, and center-left leaders from Brazil and Chile."

- (Argentine) foreign policy, experts recommend reaching out to the \mbox{world} "

Walter Curia, political columnist of leading "Clarin," writes (10/30) "... Most analysts acknowledge the limitations of Kirchner's foreign policy. They agreed that it has largely been conditioned by the crisis and by the features of a president that was exclusively focused on the country's domestic policy.

"... Conditions have changed and the new president's predisposition also seems to be different. What can we then expect from the next (Argentine) government's foreign policy?

"Juan Tokatlian, head of International Relations at Universidad San Andres, says: 'When a country goes through what Argentina did, foreign policy evaporates. We had a president too focused on domestic issues and in an internationally restrictive context. Today, the context seems more appropriate. We can reach out to the world having the opportunity to hold talks with important leaders, but this implies considering what strategy we will use.

"In Tokatlian's view, the new stage will call for 'a more heterodox Argentina on foreign policy issues,' which knows how to handle a 'balance between cooperation and reticence in US-Argentine ties'...

"Roberto Russell, head of the Master in International Studies at Di Tella University, agrees with Tokatlian that the country 'lost international weight' as a result of the crisis. 'We cannot have

- "... Jorge Castro, head of the Institute for Strategic Planning, points out that the new government's main challenge will be 'reorienting foreign policy towards a closer relationship with the world.' He opines that the country should start revisiting its ties to the region.
- "... Re the Iranian issue, Castro said that the Argentine claim 'is a demonstration of subordination to the country's domestic policy or else an international posture...' Russell disagrees. He sustains that the new government should further its international claim, 'which is due to an Argentine genuine interest, which is independent from US needs.'
- "... Sergio Cesarin, CONICET researcher, believes that, in contrast to Kirchner, the new government will draw 'a traditional line with Latin America, Europe and the US,' and he predicts 'an alliance of gender with Bachelet, Merkel and Hillary Clinton.'"
- "Signs of an incipient arms race in Latin America"

Oscar Raul Cardoso, international analyst of leading "Clarin," opines (10/30) "Until now, the development of a new arms race in Latin America is a theoretical problem in relation to which analysts position themselves according to their degree of optimism/pessimism. Generally speaking, the prevailing opinion since the beginning of the 21st century has been that the region is one of the moderate regions (if not the most moderate) when it comes to purchasing military equipment.

"The truth is that between 2000 and 2004 Latin American countries have invested about 1.3 per cent of their annual GDP in defense expenditures. Vis-`-vis the defense budgets of the Middle East and Northern Africa (3.7%), South Asia (2.5%) and Europe and Central Asia (2.3%), everything suggests that Latin American democracies are focused on other uses for their funds.

"However, has this changed? Experts believe that an emerging arms race has been reestablished in Latin America particularly in 2006

and 2007.

"During a regional forum held in Miami last year, former Costa Rica President and Nobel Peace Award Laureate Oscar Arias, predicted that 'Latin America has started a new arms race.'

"Arias explained that 'in 2004 Latin America invested a total amount of 24 billion dollars in troops and armaments, which accounts for an eight-percent-increase vis-`-vis 1994.'

"... Arias pointed out that 'it is shameful that the governments of some of the poorest countries continue stockpiling tanks, jeeps and weapons to allegedly protect people sunk in poverty and ignorance.'

"While some experts believe this warning is excessively alarmist, the truth is that many defense budgets have increased again in the region, as suggested by the Brazilian case.

"According to Real Instituto El Cano, in 2005 Chile and Venezuela had the highest defense expenditures with 2.78 and 2.3 billion dollars respectively... Argentina is positioned on the other extreme of the ranking, with barely 80 million (dollars) on the item.

"Venezuela, which has purchased combat airplanes and submarines on an alleged US military intervention, is the most frequently mentioned case, but it is not the only one."

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